

**Alzheimer's
Society**

Leading the
fight against
dementia

Talking about dementia

Annual report
2011/12

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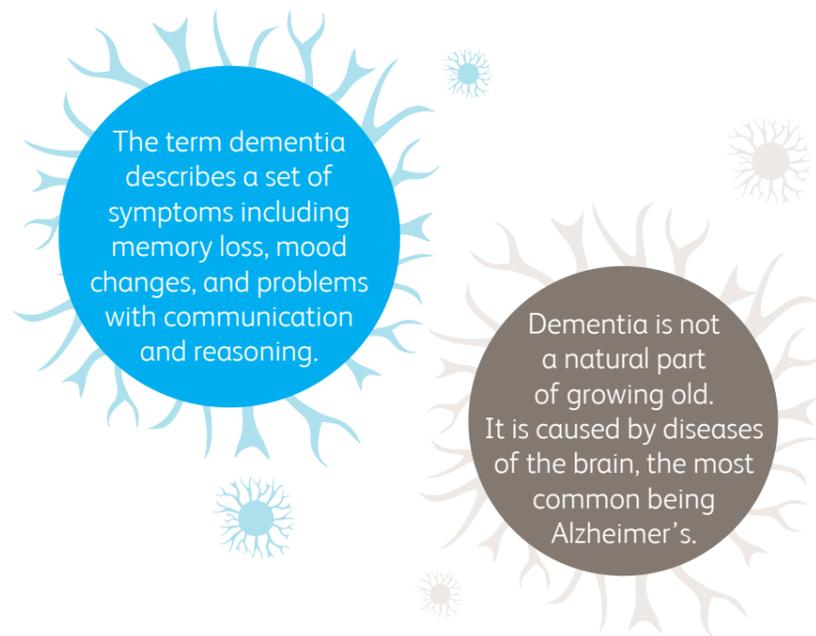
We are the UK's leading dementia support and research charity. We provide quality services, fund research and advise health and social care professionals.

alzheimers.org.uk

Working nationally and locally, we campaign for improved care and greater public awareness and understanding of dementia.

Setting the scene

Defining dementia



Recognising the signs and symptoms of dementia

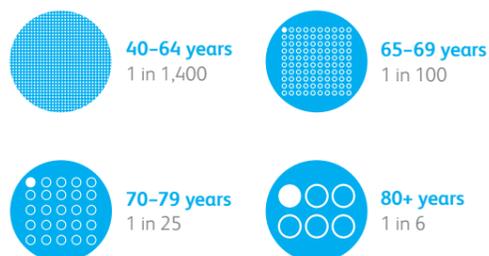
Only 41% of people with dementia receive a diagnosis. Dementia affects everyone in different ways, but you should seek help from your GP if your memory is not as good as it used to be and especially if you notice the following signs and symptoms.



The main causes of dementia

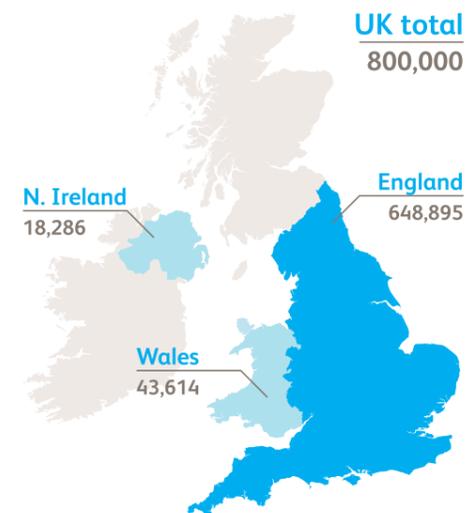
- 62% Alzheimer's disease**
A physical disease caused by changes in the structure of the brain and a shortage of important chemicals that help with transmission of messages.
- 17% Vascular dementia**
Caused by problems in the supply of blood to the brain, commonly caused by a stroke or series of small strokes.
- 10% Mixed dementia**
A type of dementia where a person has a diagnosis of both Alzheimer's disease and vascular dementia.
- 4% Dementia with Lewy bodies**
One of the less common forms of dementia, it is caused by irregularities in brain cells, leading to symptoms similar to Alzheimer's disease and Parkinson's disease.
- 3% Rarer causes of dementia**
There are many rarer diseases and syndromes that can lead to dementia or dementia-like symptoms, including Corticobasal degeneration and Creutzfeldt-Jakob disease.
- 2% Fronto-temporal dementia**
Rare when all ages are taken into account but relatively common in people under 65, it is a physical disease that affects the brain.

Dementia is most common in older people but younger people (under 65) can get it too.



The size of the challenge

The breakdown of the population with dementia is as follows:

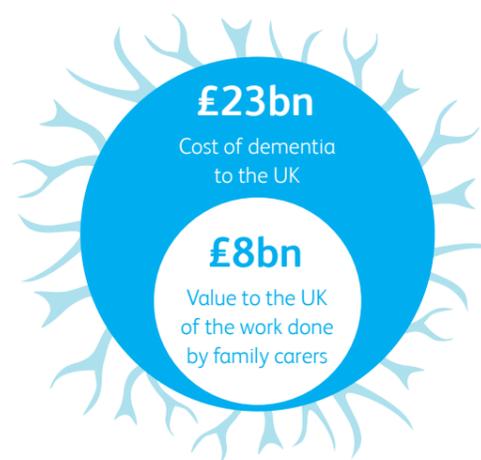


Two thirds of people with dementia are women

One in three people over 65 will develop dementia

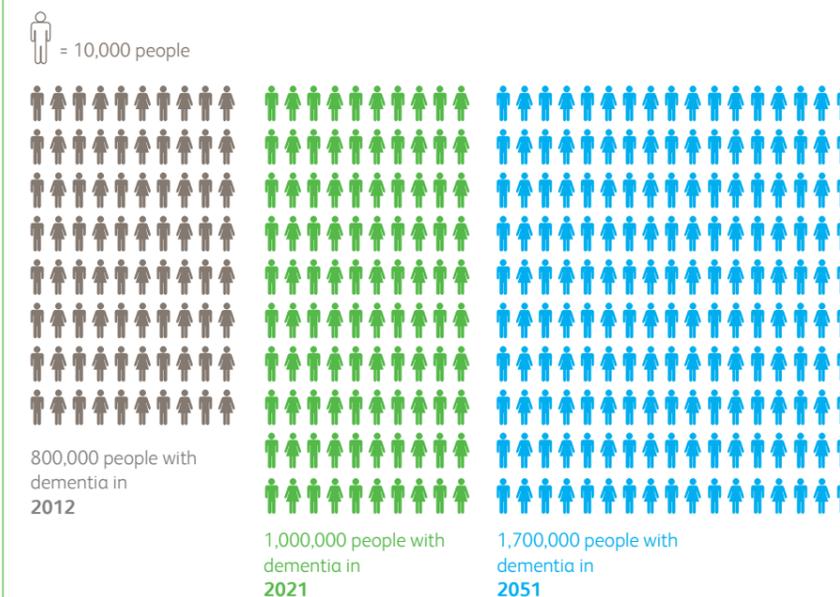
Cost to society

Some of the cost of dementia is hidden by the work done by family carers supporting people at home.



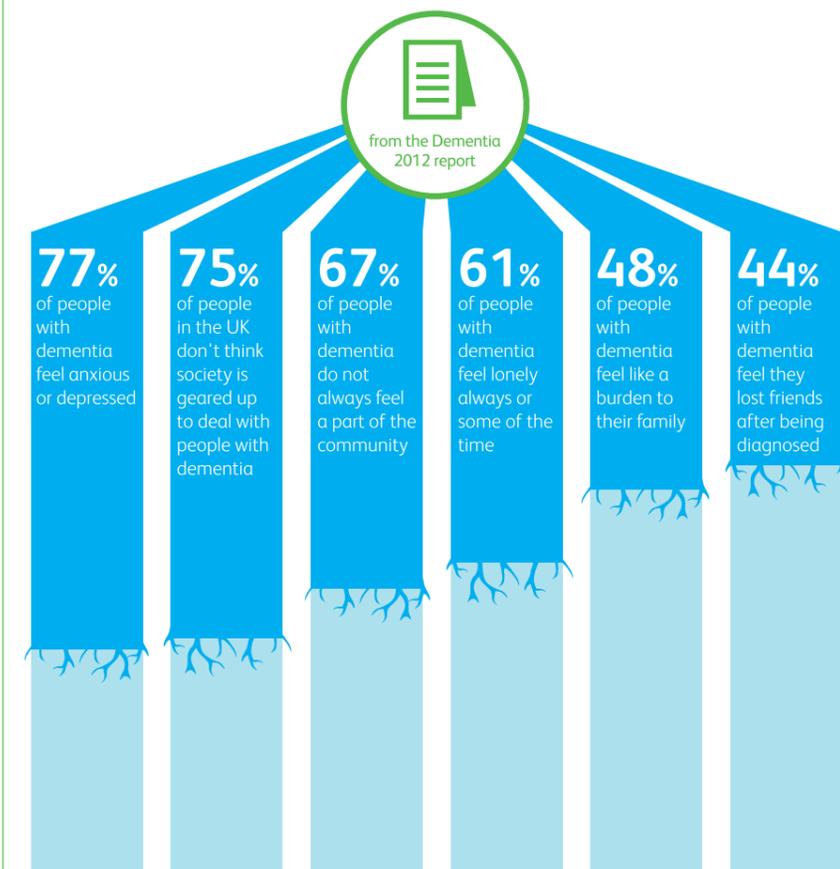
Future projections

The number of people in the UK with dementia will double in the next 40 years.



How well are people living with dementia?

Many people with dementia and their carers are still not living well with the condition, and quality of life remains extremely varied. We all have a role to play in developing dementia friendly communities.



Chair and Chief Executive's introduction

Welcome to our Annual report 2011/12

This year has been a landmark one for the Society and people affected by dementia, with major achievements in all areas of our work: care, support, campaigning and research.

We ended the year with the Dementia 2012 conference and launch of our first annual assessment of how well people with dementia are living in the UK. The conference also saw the Prime Minister launch his Challenge on Dementia – the first time any Prime Minister has made dementia a key priority.

As a result of the PM's challenge, the Government has committed to more than double the funding of dementia research from £26m to £66m by 2015. Our own investment in essential research into the cause, cure, care and prevention of dementia continues to grow. Our programme of new grants and fellowships is uniquely informed and monitored by people affected by dementia, through our Research Network Volunteers.

Whilst working closely with the Government on its commitment to tackle dementia, we have also joined with other charities to highlight the need to address the overall funding crisis in social care and to seek to protect patient interests as the NHS in England is radically reformed. We were also central to the adoption of dementia plans in both Wales and Northern Ireland.

This year, we continued to increase the services we provide and we continue to develop groundbreaking services for all people affected by dementia. Many of these – like Singing for the Brain® and Dementia Cafés (sometimes called Memory Cafés) – are provided locally by a record number of volunteers supported by our dedicated staff. Other services, like our National Dementia Helpline and Talking Point online community, support people wherever they live. And, thanks to the magnificent support we received from Tesco as their Charity of the Year, alongside Alzheimer Scotland, our number of dementia support workers increased during the year.

Despite the UK recession, our supporters continue to be incredibly generous, and our voluntary income increased to £41.1 million from £32.1 million last year – a remarkable achievement, which contributed greatly to our overall income of £71 million.

Towards the end of 2011, we involved many volunteers and staff across the Society in developing our ambitious five-year strategy, Delivering on dementia. Through local meetings across England, Wales and Northern Ireland, we were pleased to meet with them at the start of 2012 to introduce the strategy and to witness their passion to do more in our services, our campaigning, research, and in our fundraising.

We were proud to end the year hosting the International Conference of Alzheimer's Disease International in London for the first time in its 27-year history. We welcomed 1,600 delegates from around the world, including a greater number of people living with dementia than ever before.

Of course, we could not achieve all of this amazing work without the support and guidance of our committed Board of Trustees, who are supported by the Senior Management Team.

Through the continued passion and dedication of our volunteers and staff, and the generosity of our many supporters, we are confident we will achieve all we have committed to achieve in the first year of our ambitious strategy to transform the lives of people with dementia, their families and carers.



Alastair Balls CB DL
Chair

Alastair Balls



Jeremy Hughes
Chief Executive

Jeremy Hughes

Introducing our year



Our eight outcomes

Everything we did during 2011/12 was guided by the things people affected by dementia have said they want to see in their lives.

1 | Inform

I and others understand my condition enabling me to make informed decisions and live the best life I can.

2 | Access

I have ready access to a timely diagnosis and am confident that I can choose the appropriate care services to help me live a fulfilled life.

3 | Support

When I need support I am confident it is there for me.

4 | Rights

I have equal rights to other members of society.

5 | Research

Scientific breakthroughs: a national, well-resourced research strategy.

6 | Community

Increased capacity of communities for care and support, and increased understanding of the needs and contributions of people with dementia.

7 | Challenge

Embedded societal change: high level public awareness, inclusion and diversity, and an end to discrimination and stigma.

8 | Choice

Improved service access, choice and control: choice of appropriate services for everyone who needs them whenever they need them.

Our vision is a world without dementia.

Our mission

We will:

- change the face of dementia research
- demonstrate best practice in dementia care and support
- provide the best advice and support to anyone dealing with dementia
- influence the state and society to enable those affected by dementia to live as they wish to live.

By pursuing these four goals together, we'll mobilise thousands of people. With them we'll reduce the impact of dementia on lives today and create a world without dementia tomorrow.

Our values

Always informed by the needs and experiences of people affected by dementia, we:

- are inclusive, making sure that we reach out to and involve people from every group and community
- challenge ourselves and others to question the status quo, be pioneering, and embrace change
- aspire to excellence in everything we do
- always act with integrity and treat everyone with respect, dignity and fairness
- enable others to make a meaningful contribution and realise their potential.

1 | Inform

Zalihe Hassan cares for her mother, Halide Eames, 81, who was diagnosed with dementia in Spring 2012. Their local dementia adviser Steve Reading visits the family regularly, offering a range of information and support.



How did you first hear about Alzheimer's Society?

When mum was first diagnosed with the early stages of dementia, I couldn't really take it on board. You hear the terms 'Alzheimer's' or 'dementia' but you don't know what they really mean. I'd never met anyone with the condition. The doctor gave me a leaflet about Alzheimer's Society and I called them for some advice. That's how I met Steve, my dementia adviser.

What kind of information and support have you had?

Steve has helped with lots of different things for me and mum. He sat down with my daughter and I and went through mum's diagnosis, explaining how the brain works and that dementia is not just an old age thing, it can happen to anyone. It helped me understand what was happening to mum and prepared me for what's coming in the future. I now know that things are not going to get better physically with mum's Alzheimer's disease, but there are lots of things that can be done to help her live with it. Steve has sorted out practical things too, like arranging for someone to look at adjusting the bathroom so it's easier for me to get mum in and out of the bath. He helped me get a grant for carers, something I wouldn't have known about. The extra money pays for things like petrol to come back and forward from mum's.

He referred me to social services for day care and lunch clubs for mum, and I'm also finding out about day trips for her so she can get out and meet people. If I don't take her, she doesn't go out anymore and she was so independent before. He's helped me to arrange a disabled parking badge too – without one I have to drop mum off and leave her while I go and park the car.

What difference has this support made to your family?

It's been so helpful. If you don't know anything about dementia, you're in the dark. But having information and help from Alzheimer's Society can take a lot of worry off your mind. As soon as I met Steve it was like we'd known each other for years and I felt really comfortable asking him questions. If it wasn't for

Alzheimer's Society, I'd have gone round and round before getting the information I needed. I appreciate everything they've done for me. They're helping me to make mum's life a bit more comfortable.

During the year

- We hosted the 27th International Conference of Alzheimer's Disease International (ADI), which brought together people affected by or working with dementia to share advances in knowledge and good practice, and was an outstanding success.
- We achieved the Department of Health's Information Standard accreditation for our health and social care information. This recognition means those who use our information can feel confident that it's up-to-date, evidence-based and relevant to them.
- We published a guide to healthy eating for people with dementia, a guide for homecare workers, a series of information cards in Urdu and Punjabi, an introduction to dementia DVD in Bengali, Gujarati, Hindi, Punjabi, Urdu and English, and factsheets on urinary tract infection, and exercise and physical activity.
- We introduced volunteers to our National Dementia Helpline to provide basic information, freeing up our advisers to deal with more complex enquiries. Funding from Tesco and the February Foundation will allow us to extend our weekday opening hours and open at weekends. Our Northern Ireland helpline and our main helpline are now an integrated 'virtual' helpline service.
- We secured local funding to continue to provide 11 of the 16 Dementia Adviser services in England that were set up under a Department of Health pilot. We now run 40 Dementia Adviser services, providing vital information and signposting to people with dementia.

2 | Access

What difference can an early diagnosis make to the lives of people with dementia and their carers?

It can make a great difference – the earlier the assessments take place, the earlier treatment and advice can be given. A big plus of early intervention is that you deal directly with patients, allowing them to make decisions about their future care at a stage when it's easier for them to understand the issues. At a later stage, it can end up that the person with dementia is talked about by relatives and doctors, rather than being central to decision-making.

Early diagnosis allows people to plan ahead as well as deal with the present. They can make decisions such as whether to move near family or stay in the community they know, and they may need to make financial decisions.

Evidence shows that you get the best results if you intervene at the earlier stages. You can keep people with milder forms of the disease stable for longer and perhaps slow down the rate of deterioration, so quality of life for the person with dementia and their carers and families is often a lot better.

We should be approaching early diagnosis positively. Once a diagnosis is made, GPs can continue to be supportive, adding to the good work of Alzheimer's Society and other health professionals in the field. GPs are increasingly rising to the challenge.

Less than half of people with dementia are diagnosed. Why can diagnosis be difficult or take a long time?

Diagnosis rates vary around the country – and things are improving. In Wigan, the figure for people with a dementia diagnosis has gone up from around 1,000, three or four years ago, to 1,500. That's a reflection of more people being referred and assessed.

Many doctors are now more inclined to ask people about their memory or take note if it's not so good and refer people at an earlier stage for initial investigations, rather than perhaps sympathising but not doing anything about it.

Wigan-based GP, Dr Alex Turnbull, has worked closely with Alzheimer's Society for several years, helping to develop a local dementia strategy and raise awareness of early diagnosis among colleagues.



However, many people who start to have memory issues don't go to the doctor. They think they're just being a bit forgetful and worry they're wasting the GP's time. You also have to consider depression in older people. That can mask or confuse diagnosis because people who have depression can have poor mental responses.

Professionals dealing with people who are ageing and getting forgetful need to encourage them to be tested for dementia. People need to know it's not

okay to put up with memory problems; it's important to be tested, and there's help available.

Why is it important for GPs to have information and support from organisations like Alzheimer's Society?

It's vital that we get the support and resources we need to help people to the best of our ability. I find the Alzheimer's Society literature, particularly the training programme that was developed with the British Medical Journal, to be very informative and helpful.

As a GP, you have to keep up to date with all aspects of medicine. In terms of a GP's time, dementia is an ever-growing area. It should have priority over many other issues because it's becoming more important to make a diagnosis through early assessments.

During the year

- We continued our *Worried about your memory?* campaign, sponsored by Eli Lilly for a second year, targeting all GP practices with information about the early signs of dementia. Over 100,000 people worried about their memory contacted us as a direct result of this campaign.
- We worked with the Prime Minister to develop a series of government commitments on dementia as part of the Prime Minister's Challenge on Dementia. His public backing and influence add significant weight to our fight.
- We published *Dementia 2012* – a landmark report on how well people with dementia are living in the UK. The discrepancy we highlighted between prevalence of dementia and diagnosis rates was also of concern to the All-Party Parliamentary Group on Dementia (APPG), which launched an inquiry aimed at improving diagnosis rates across the UK.
- Building on the success of our campaign for access to dementia drugs for people with Alzheimer's, we published information about the legal duties of primary care trusts (PCTs) to follow the NICE guidelines. Our local campaign groups have worked hard with PCTs to make sure that these guidelines are implemented.
- Our continuing campaign to improve hospital care for people with dementia helped to convince the Government to introduce the National Commissioning for Quality and Innovation (CQUIN) dementia target, which encourages hospitals to identify patients with dementia in their care.

3 | Support

What difference do the art classes, choir and Memory Café activities make to your life?

They're all brilliant for boosting my confidence. I come away from my art classes and choir practice feeling like I've really achieved something. The choir has helped with my speech and memory too – I'm amazed that I can remember all the songs. Without the Alzheimer's Society group I definitely wouldn't socialise so much either. When I was first diagnosed with dementia it was so easy to go into myself and not to talk to anyone because it was difficult to say what I wanted to say. I'd worry people were judging me. I think I could have become reclusive if it wasn't for the group. It has helped me so much.

How important is it for you to spend time with other people who also have dementia?

The communication with other people who have similar problems is really important to me. We can help each other through the bad days because we understand each other – we have a bond. The group and the activities give us a chance to have conversations without our befrienders or carers, which is good sometimes. And it's important for the carers to spend time together too.

Do you and your husband get any other support?

I have a befriender, Leah, who comes once a week to take me out. We go shopping, to the pictures or for a walk or a coffee. It gets me out into the community and I feel safe with Leah. It's nice for my husband too. I can feel like I'm a burden on him sometimes and this gives him time to see his friends and do his own thing. He doesn't have to worry about me when I'm with Leah.

Do you think it's important to help other people understand what it's like to live with dementia?

Definitely. Our choir performances help raise awareness of dementia and what people with the condition can achieve. People come up and talk to us afterwards and we tell people about the support that's available. When I've spoken about my experiences at Alzheimer's Society events, people have told me that they didn't realise what people with dementia go through. They've seen a different side. I speak from the heart. I tell them it's hard. I talk

Linda Willis, 62, lives in Newport, Wales, and attends Alzheimer's Society art classes, choir and Memory Café. She also speaks at events about what it's like to live with dementia.

about the way other people treat you, how some try and take over and how frustrating that can be. I'm still a person, I can still think and still do things, maybe not so well but I can always ask if I need help. And I've had amazing support, which I'm really grateful for.

During the year

- We continued to grow our support services, and now have 2,143 across England, Wales and Northern Ireland. This includes 316 dementia cafés (236 on 1 April 2011), and 144 Singing for the Brain® groups (85 on 1 April 2011). 114,659 people benefitted from our services – an increase of 15% on last year.
- We evaluated six of our 53 (at 31 March 2012) befriending services in England and Wales and found that 90% of people who used the service said it helped them to feel less alone; 84% that it helped them feel listened to; and 81% that it helped them maintain or improve their independence.
- We continued to work with commissioners to demonstrate the need for dedicated services for younger people with dementia, such as our new and thriving service for this group in Gwent and Cardiff and the Vale, attended by Linda, featured here.
- We funded 23 new dementia support worker posts through our partnership with Tesco, helping over 840 more people during the year. At 31 March 2012 we had a total of 330 dementia support workers, providing one-to-one support for people with dementia and their families.
- The number of people using our online community, Talking Point, offering information and support for anyone affected by dementia, increased by 40% (there were 19,535 Talking Point members on 31 March 2012). We redesigned Talking Point to simplify the registration process and make it easier to navigate around the site.



4 | Rights

Susie Troake, 30, from Liverpool, cares for her mother who has dementia. She also campaigns, fundraises and raises awareness of the issues faced by people with dementia and their carers.

Can you tell us about your campaigning work for Alzheimer's Society?

Recently, I've been lobbying MPs on the health and social care changes that are happening in Liverpool. They're going to close nine day services for older people and replace them with three larger centres in the city. People have built up trusting relationships with staff and service users at their current services and I'm raising awareness of the impact that such a change in routine can have for people with dementia.

Because of my experience, I know how being able to pick up the phone to someone who really understands can make such a difference when you or a family member is diagnosed with dementia. So I go in to speak to practice managers at GP surgeries to make sure they have information about the support that's available.

I've been interviewed on BBC Radio Merseyside about my experience of caring for my mother. And I've taken part in a question and answer session at the UK Dementia Congress, led by broadcaster Angela Rippon, who's an ambassador for Alzheimer's Society.

How important do you think it is to keep campaigning for the rights of people with dementia and their carers?

Without people campaigning and raising awareness, would David Cameron have mentioned people with dementia in his latest speech? It's so important that we keep fighting. The most vulnerable people always seem to get the worse deal. My mum is one of the lucky ones – she has relatives who will advocate on her behalf. But so many people don't have someone to do that for them, they're on their own. I don't just do it for my mum; it's about changing things for everyone.

Do you think attitudes to dementia are changing?

Not a great deal, unfortunately, but I do hope in time they will. Many people's attitudes seem to be 'Well I don't need to worry about that because it only happens to old people' or 'That's not going to happen to me'. I come across that perception a lot when I'm volunteering or out collecting money for



Alzheimer's Society. People are shocked to hear that someone as young as my mum has an illness like dementia. She was only 54 when she was diagnosed four years ago. I don't think people are educated enough about dementia and we still need to raise awareness of what it is and what it can do. I'd like everyone to be aware of the issues, to know a lot more about the condition, and for there not to be the same stigma and judgement that there is now.

During the year

- We worked hard to keep the issue of funding and charging for social care high on the public and political agenda, and were heavily involved in the focus and content of the Prime Minister's Challenge on dementia, which launched in March 2012.
- As part of the Care and Support Alliance, we helped to organise a lobby of Parliament to demonstrate public feeling on the issue of our failing social care system. Over 1,000 older and disabled people attended, alongside our Ambassador Tony Robinson.
- We published a report presenting new evidence about the financial abuse of people with dementia and their carers, and launched a high-profile campaign to raise public awareness of this issue to protect vulnerable people from being targeted by scammers.
- With support from Comic Relief, we increased our number of local volunteer campaign groups from 23 to 31 in England and Wales. Together with our 5,000 plus e-campaigners, they form a lively and active Campaigners' Network.
- With support from the Department of Health, the Dementia Action Alliance has continued to grow and, by the end of March 2012, had 90 member organisations working to transform the lives of people living with dementia. This is an increase of 30 organisations over the year.

5 | Research

Why are you looking to existing drugs to treat dementia instead of developing new ones?

The main advantage is that these drugs have already been rigorously tested. We know that they're safe to take and we understand the effects they have on patients. Getting to this stage is a long and expensive process. So, being able to jump straight to clinical trials with people with Alzheimer's disease saves around 10 years of research, as well as millions of pounds.

Why diabetes drugs?

We have known for some time that diabetes is a risk factor for developing Alzheimer's disease. When someone has diabetes, the cells in their brain can have problems growing and repairing themselves.

The results of our tests with mice show that these diabetes drugs can be very effective in protecting the cells and neurons in the brain and helping them to stay healthy and to grow. The drugs reduced the levels of a protein called amyloid, which is a key feature of Alzheimer's disease, and protected against swelling in the brain. The earlier the drugs are used, the better effect they have, but even after extensive damage the drugs appear to be able to improve the situation.

You've now been funded to test the drugs with people in the early phase of Alzheimer's disease – what do you hope to see?

If the results are as we hope, we will see that the drugs can slow down or even halt the damage to the brain that Alzheimer's disease causes. We also hope we'll see that they protect people from the degenerative effects of the disease, such as confusion and memory loss.

How will new treatments like this improve the lives of people with dementia now and in the future?

We have to wait for clinical trials, but this has the potential to have a profound effect on people's lives. If the drugs can slow down the progress of the disease, as we hope, this will help people to live independent lives, interacting with their friends and families, for much longer. For the future, we hope

Professor Christian Hölscher from the University of Ulster, in Northern Ireland, has been researching whether diabetes drugs could help treat Alzheimer's disease. His work has seen extremely promising results.

that this work will spark a whole new wave of research. We're already starting to work on other types of drugs that look promising and I'm sure we will find better treatments and strategies to protect the brain and keep cells healthy.

During the year

- We funded £3.1 million of essential new research into the cause, cure, care and prevention of dementia, and our research was published in 50 academic publications. We worked closer than ever with our Research Network, a group of over 200 people affected by dementia who are integral to our research.
- Our innovative Drug Discovery programme was launched by Lord Fellows in the House of Lords in May 2011. The programme has the potential to bring better treatments to hundreds of thousands of people with dementia sooner. We've identified the top five drugs and are progressing towards the final pre-clinical laboratory testing before we start the clinical trial in 2014. A fundraising appeal, focused on the programme, raised £190,000.
- Following the call from the National Institute of Health Research (NIHR) for dementia-themed research proposals, we ran a unique networking workshop, attended by UK researchers and our research network volunteers. Advice from people with experience of dementia helped researchers to improve their research funding applications – 30 were ultimately supported by us and 10 were shortlisted by NIHR.
- We held a symposium on the treatment of behavioural and psychological symptoms of dementia at the Alzheimer's Association International Conference on Alzheimer's Disease (AAICAD). Leading researchers announced three groundbreaking clinical trials at the event, which was attended by over 200 researchers.



6 | Community

John Hall, 63, works on our Dementia Community Roadshow, taking information and advice out into communities. Two Roadshow vehicles will tour Tesco car parks and other venues around the UK until 2014.

What does the Roadshow aim to achieve?

Its main purpose is to raise awareness about dementia and Alzheimer's Society – something I believe it does extremely well. As a great big blue vehicle, we really stand out when we set up in Tesco car parks.

The volunteers and advisers are there to answer questions and discuss concerns. We have lots of leaflets and information on board, and a private space where we can talk to people confidentially.

Do you get a good response from the public?

Yes, we do. There's still a certain stigma attached to dementia. But when people see the Roadshow vehicle, they seem to feel they can approach it much more easily than going into an office. Our volunteers and advisers are always open and friendly, which gives the Roadshow a relaxed feel.

Sometimes people can be tentative to start with, but when you get talking they're usually happy to open up and let you know about their concerns. For those people who just pick up a leaflet on their way by, the Roadshow can be an important prompt. It means that when they are ready to talk to someone about dementia, they'll be better informed.

What sort of questions and concerns do people have when they come and talk to you and the Roadshow staff?

Mainly people are worried about their memory and want to know more about dementia. Or sometimes they want to talk about their relatives. We get quite a wide age range visiting us, so sometimes it's young people concerned about their parents or grandparents, other times it's older people with worries about their partner.

Do you think the Roadshow will help change attitudes to dementia and encourage more people to do something if they're worried?

It's a really effective way to get information about dementia out into the community, and I know from speaking to people that it helps change attitudes. We understand that talking about dementia for the



first time can be difficult. One man walked by the Roadshow five times without stopping or making eye contact, but eventually he came back and when he left us he was smiling. What we can do is alleviate people's worry – they walk away with peace of mind.

During the year

- We launched our Dementia Community Roadshow, funded for three years through our partnership with Tesco, in June 2011. The Roadshow takes dementia information and advice into the heart of communities, and helped over 37,000 people with questions about dementia in the first year.
- We disseminated the findings of our report on care at home widely, including running a seminar at the National Children and Adult Services Conference. We also published a guide for homecare workers to improve their dementia knowledge, which we promoted at the UK Homecare Association conference and the Care Show.
- We have begun to establish Community Dementia Forums and local Dementia Action Alliances across England. These will play a vital role in shaping and delivering the dementia-friendly communities programme, which we launched in March 2012.
- We produced a guide for people with dementia and their carers on reducing the use of antipsychotic drugs, and a best practice guide for health and social care professionals to help them manage behavioural and psychological symptoms – a critical aspect of our work to reduce the use of antipsychotics. Endorsed by the Department of Health, the Royal College of General Practitioners and the Royal College of Psychiatrists, the guide has been translated into seven languages and is now in use across the UK and internationally.

7 | Challenge

How did Alzheimer's Society help you to prepare for the storyline?

Coronation Street producers and scriptwriters were in constant contact with Alzheimer's Society. People there read all the scripts and gave their advice. They also put me in touch with some men and women who care for partners with dementia. I talked to a man in a similar situation to my character (Paul starts a relationship with another woman while caring for his wife, Lesley, played by actress Judy Holt). It was really helpful to talk to him about issues such as guilt and his concerns about his wife's care. What struck me about some of the carers I met was how they laughed and joked, were warm and affectionate, but just beneath the surface there was anger, frustration and grief for what they'd lost.

What sort of response have you had from fans?

I've found that the fans with any experience of a family member or partner with dementia have been absolutely supportive. It was the ones with no knowledge or understanding of the condition that were judgemental.

The scriptwriters made a conscious decision to make it early onset dementia because they wanted to challenge expectations and show that it's not just an old person's disease. A lot of viewers were surprised to see Lesley diagnosed, as she was a vibrant, healthy woman in her 40s. It was important to show the physical vibrancy being offset against the brain being so affected. To me, it shows a clear example of the essence of the disease and what it can do.

What role do you think soap operas have to play in raising awareness of issues like dementia?

Coronation Street has an audience of over 10 million people. While it's not a campaigning show, the people making it are well aware that they have a real responsibility when tackling something as important as dementia.

A soap opera is great for getting complex, uncomfortable issues that we'd sometimes prefer not to deal with, into people's living rooms – and in an accessible way. Even if it just skims the surface,

Coronation Street actor Tony Hirst plays a character, Paul, whose wife has early onset dementia. The soap opera storyline explores Paul's role as a carer and sees him start a relationship with another woman.

it can be a stimulant to get people talking. The strength of the story has provoked opinions and challenged the ones people already held. I hope it will be a springboard for continued debate.

During the year

- We worked with the Department of Health to develop and roll out the early diagnosis advertising campaign across England. Post the campaign, research showed that 90% of the population now recognise the advantages of early diagnosis and 88% now believe the right treatment can slow down the progression of dementia.
- We continued the powerful Remember the Person theme for Dementia Awareness Week™ 2011 – tackling fear and avoidance of dementia. We reached 91,000 people through local events and activities, 17.5 million people through our media coverage, and 8.3 million people had the opportunity to see our billboard advertising campaign.
- We worked with the producers of Coronation Street on a challenging storyline highlighting the issue of dementia to millions of households (see interview). Through advising the cast and scriptwriters, we were instrumental in making sure the issue was handled realistically and sensitively.
- We worked with the Royal College of General Practitioners to improve GPs' understanding of dementia, and collaborated with BMJ Learning to develop an e-learning module on the management of the behavioural symptoms of dementia, which was launched in March 2012.
- As part of the Dementia Action Alliance, we worked with the NHS Institute to launch a call to reduce the use of antipsychotics. Many colleagues in health and social care signed up actively to review the prescriptions of everyone with a diagnosis of dementia who was on antipsychotics.



8 | Choice

Tim Wilkins, an Alzheimer's Society Service User Involvement Officer, works with people affected by dementia in West Sussex to shape future services. His role is funded by West Sussex Primary Care Trust.



Why is it important to involve people with dementia and carers in developing and improving services?

I want to make sure we're doing everything we can to enable people with dementia to do the things that they want to do – and that they're getting the support they need. I look at different ways of engaging with people affected by dementia. My aim is to make them aware that Alzheimer's Society and other organisations are here for them.

I've met some wonderful people living with dementia, their carers and families, every one of them doing their best to live their lives, as well as they can, often without many choices. I've listened to their views, tried to understand their situation, and worked with them to bring about changes to local services.

We try to give people ownership of the services they use. For example, in the Dementia Cafés, we find out what activities people with dementia would like to do. These are their services after all. Looking forward, I believe having services that respond to people's individual needs and offering them choice is vital.

How do you make sure you reach people with dementia from all different communities?

It's an essential part of my job. I have found it so important in all communities to gain trust. So I've been along to groups, activities and organisations, speaking with many members of the community and community leaders to gain insights and respect. I make it clear that I'm not there to tick a box but to consult with them about long-term plans. I'm currently working on a leaflet about dementia for the gypsy and traveller communities, and have an ongoing working relationship with the Sussex Lesbian, Gay, Bisexual and Transgender telephone helpline.

What improvements do you want to see in the future for people with dementia?

I want to see communities becoming dementia friendly, where people living with dementia have more control over their lives and the choice to do the things they want to do. People with dementia have a voice, a voice that must be heard.

Awareness of dementia continues to grow and this is something we must take advantage of. We need everyone to understand that people with dementia are just like you and me – and that we could end up with dementia. It's only right that we improve things for people with dementia, their families and carers, now and in the future.

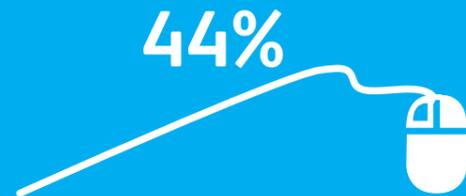
During the year

- We began a significant programme of work to make sure that people affected by dementia are actively and meaningfully involved in influencing what we do, wider awareness-raising, and policy development. This includes training staff, speaking to the media, informing research and planning new services.
- We continued to explore new and better ways of engaging with people affected by dementia in black and minority ethnic communities. For example, our extensive and innovative work in East London has resulted in a significant increase in the number of families of Bangladeshi and Somali origin whom we support.
- We rolled out our Carers' Information and Support Programme in 17 places. This helps carers of those with a recent diagnosis to develop the skills and confidence they need to manage their caring role and plan for the future. We also piloted three new sessions in five places on issues that arise for carers as dementia progresses, and this part of the programme launched in the spring.
- We have been responding to the introduction of Personal Budgets, where people are allocated a budget to pay for their own care, and the growing number of people paying for their own services, by making sure we are ready to deliver our services in this way. Personal Budgets are already in place in some areas of England.

The year at a glance



Our National Dementia Helpline helped 22,661 people get the information and support that they need – that's an average of 90 people every working day and an increase of 19% on the previous year.



Visits to our website increased by 44% during 2011/12, from 2.8 million to 4 million. In our most recent web survey, 98% rated the website as either good or very good.



We reached over 37,000 people through our Tesco-funded Community Roadshow, which takes dementia information and advice into the heart of communities.



We raised a total of £7.5 million through our Charity of the Year partnership with Tesco.



We distributed more than half a million leaflets, booklets and books through our local services as well as directly to people affected by dementia.



We funded £3.1 million of research grants towards essential new research into the cause, cure, care and prevention of dementia.



10,000 people took part in our flagship community fundraising event, Memory Walk, raising a total of £880K.



increase in facebook 'fans'.



increase in twitter 'followers'.



Membership of Talking Point – our online community – increased by 40%.



We had 2,143 services providing care, information, support and training to 114,659 people (an increase of 15% on last year).



9,516 people with dementia and 10,106 carers and family members used our Dementia Adviser service.



During Dementia Awareness Week™ 2011 we reached 91,000 people through local events and activities.



We secured over 9,250 pieces of media coverage, and were a Times Christmas Appeal charity, reaching thousands of readers and raising £130,000.

What we'll do in 2012/13

2012/13 is the first year of our ambitious five-year strategy, Delivering on Dementia, built around four strategic aims.

1 Demonstrate the way in dementia care and support

During 2012/13 we will:

- continue the detailed review of all of our services to make sure that we are providing exemplary information and support to people affected by dementia across England, Wales and Northern Ireland
- capture and explore emerging ideas that will improve the lives of people affected by dementia using our services. This builds on our track record for service innovation and recognising the value of grassroots knowledge and creativity
- maintain and enhance our performance in relation to the standards under the PQASSO kitemark – the quality standard for third sector organisations – including equality and diversity, user involvement, environmental sustainability, and monitoring and evaluation
- continue to build strong working relationships with statutory bodies and policy makers at a local level, including Dementia Partnership Boards, Clinical Commissioning Groups and Health and Wellbeing Boards. These relationships will allow us to respond to service development opportunities and focus on the needs of people affected by dementia locally
- make sure that people affected by dementia have a significant role in shaping what we do and influencing the external environment by supporting a robust and sustainable culture of involvement across the Society
- continue to make our services responsive to personal budget holders and people paying for their own services. This includes running workshops across England to share tools and guidance with local managers. We are also collecting examples

of best practice in helping people with dementia to access personal budgets, which will inform our own practice.

2 Be the foremost point of contact for anyone dealing with dementia

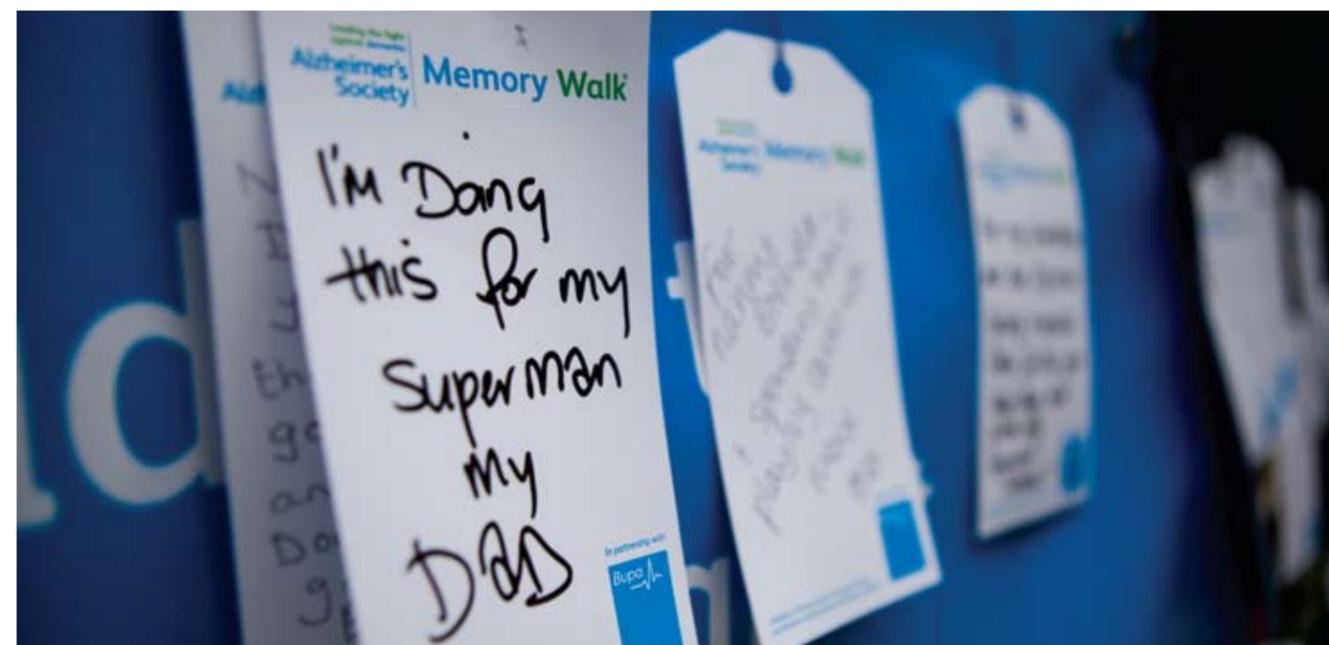
During 2012/13 we will:

- open the National Dementia Helpline at weekends from September 2012, allowing more people to get the information, advice and support they need. We will recruit additional volunteer helpline assistants to give our advisers more time to focus on the more complex enquiries
- launch a new online directory of all local dementia care and support services across England, Wales and Northern Ireland, designed to meet the needs of people with dementia, their families and carers
- aim to deliver the Carers' Information and Support Programme to over 1,000 carers, and begin work to make the programme more accessible to people in Pakistani and Indian communities – the two largest minority ethnic communities in England
- continue to raise awareness of dementia and reach people worried about their own or a loved one's memory in their own communities, through our Dementia Community Roadshow, funded by Tesco. This includes visiting community fairs, town centres, and rural areas.

3 Lead partnerships and investments in research to improve care, advance prevention, and move closer to a cure

During 2012/13 we will:

- continue to fund high quality research into the cause, cure, care and prevention of dementia, including two clinical trials. This includes continuing to work with people affected by dementia to inform and improve our research
- publish an academic paper on initial work in the Drug Discovery programme, announcing the names of the drugs to be investigated. We will also fund a research fellow to carry out the essential pre-clinical work that will allow us to move towards a clinical trial in 2014



- work in partnership on government-funded research
- launch the roll-out of an evidence-based training programme for care homes that has been shown to halve the use of dangerous antipsychotic drugs.

4 Campaign for people affected by dementia to be able to live the lives they want

During 2012/13 we will:

- work with the All-Party Parliamentary Group (APPG) on Dementia to publish the report on their inquiry into improving dementia diagnosis rates, and work with other organisations, like the Dementia Action Alliance, to make sure the report's recommendations are met
- continue to shape and direct the Dementia Friendly Communities programme. This includes leading the Prime Minister's challenge group, and holding the Coalition Government to account on the implementation of the Prime Minister's Challenge on dementia
- continue to grow the membership of the national Dementia Action Alliance and the network of local Dementia Action Alliances across England to support the development of dementia-friendly communities
- respond to the White Paper on social care, campaign for a new settlement on funding, and be part of the wider debate to push more funding for social care overall
- work with the Department of Health to produce a new resource to help health professionals to assess cognition in older people in GP surgeries, memory clinics, hospitals and care homes, with the aim of improving dementia diagnosis
- establish new evidence on the experience of people with dementia in care homes by producing a new care home report
- publish Dementia 2013 – the next of our annual reports on the state of the nation for people with dementia
- work with the Department of Health in England to further develop a national awareness campaign to run from 2012-15
- launch a cross-party group on dementia in the Welsh Assembly
- continue to grow and develop our Campaigners' Network. We will establish more volunteer-led campaigners' groups, including the first in Northern Ireland, and grow our number of e-campaigners.

Society money

Despite the slowdown seen in the UK economy, we are delighted to report strong growth in income.

£71m

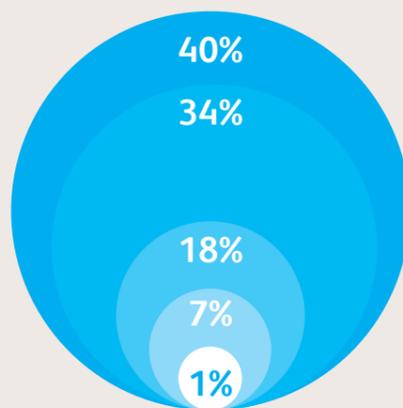
Income exceeded £70 million for the first time.

9%

This enabled the Society to increase its charitable expenditure by 9 per cent.

£1.1m

The Society's reserves increased by £1.1 million.



Income by type

- 40%: £28.7m Donations
- 34%: £24.3m Contracts
- 18%: £12.5m Legacies
- 7%: £4.7m Trading and Other
- 1%: £0.9m Investment

Income

Total income increased in the year to £71.0 million (2011: £61.6 million).

Voluntary income, consisting of donations and legacies, amounted to £41.1 million (2011: £32.1 million).

Much of the credit for this growth must go to all those supporting the successful Tesco Charity of the Year partnership.

Income given specifically for research increased to £3.5 million (2011: £2.5 million).



Expenditure by activity

- £47.5m Care services
- £12.0m Fundraising
- £4.6m Campaigning
- £3.6m Research
- £1.5m Trading costs of subsidiaries
- £0.4m Governance

Expenditure

During 2011/12, 88 pence in every £1 of total expenditure was spent on direct costs towards improving the lives of people with dementia (2011: 87 pence in the pound).

The remaining 12 pence in every £1 was spent to support our frontline activity, including IT and premises around the country.

Charitable expenditure increased during the year by £4.7 million to £56.0 million (2011: £51.3 million) and of this 85 per cent was spent on care services (2011: 87 per cent).

The investment in fundraising has increased to £12.0 million (2011: £9.8 million), to ensure funds are generated to continue the Society's work.

£3.6 million was allocated to research during 2012 (2011: £2.8 million).

£29.1m

Total funds as at 31 March 2012

Funds

Total funds as at 31 March 2012 were £29.1 million (2011: £28.0 million), of which £22.2 million (2011: £24.0 million) were unrestricted.

It is the Society's policy to hold free reserves equivalent to at least three months of charitable expenditure. At 31 March 2012 the Society held free reserves equivalent to 4.3 months (2011: 4.7 months) of charitable expenditure.

In the light of the economic uncertainty and the pressures on public spending at the present time, the Board of Trustees feels that the above reserves cover is prudent and also allows for future growth.

Structure and management

How we are structured

Alzheimer's Society is a charitable company limited by guarantee, registered as a charity in November 1979 and incorporated as the Alzheimer's Disease Society on 26 March 1987. On 1 October 1999 the charity changed its name to Alzheimer's Society. The Society is governed by its Articles of Association.

New Articles of Association, incorporating the Memorandum, were adopted by special resolution at the Annual General Meeting on 16 September 2011.

The Society's objects contained in the company's Articles of Association are:

- to relieve and treat and promote the relief and treatment of people with Alzheimer's disease and other dementias and to provide support for such persons, their families and carers
- to promote, support and carry out research, and to disseminate the results of such research for the public benefit into the cause and possible cures, whether partial or complete, and the possible prevention of the said disease and other dementias.

The Society's direction is guided by our strategic framework which provides a roadmap based on the objectives contained in the company's Articles of Association and sets out our vision for the future. The framework explains how the Society is going to turn our vision into a reality. The strategic framework sets out eight outcomes (aims) to meet our vision.

Outcome	Charitable activity
1 Inform	Care services and campaigning
2 Access	Campaigning
3 Support	Care services
4 Rights	Campaigning
5 Research	Research
6 Community	Care services and campaigning
7 Challenge	Campaigning
8 Choice	Care services and governance

These eight outcomes have been compiled from the needs of people with dementia and are at the heart of our work.

Services

The Society provides practical services to people with dementia and those who care for them via a network of locality offices within communities across England, Wales and Northern Ireland. Many of the Society's services are commissioned by statutory or charitable bodies; significant levels of local fundraising activity also take place to support this work.

Membership

As of the end of March 2012, the Society had 19,775 members (2011: 21,217). All members – other than those who are under 18 – have full voting rights under the Society's Articles of Association.

The Board of Trustees

The Board of Trustees (members of which are also directors under company law) is composed of a mixture of elected and appointed Trustees. Details are given under the section, 'Society people'. Trustees are elected by members by means of a postal ballot; the results of the elections are announced at the Society's Annual General Meeting.

All Trustees and new Board committee members undertake an induction programme, including a structured introduction to the Society and visits to services and activities. Training and development sessions in key areas are also provided including compulsory data protection training. The performance of individual Trustees and of the Board as a whole is assessed every year.

The Trustees undertake the duties laid down in the Society's governing documents and are ultimately responsible for the governance of the charity and the protection of its assets. The Board takes ultimate responsibility for the implementation of equal opportunities and health and safety within the Society.

The majority of members of the Board of Trustees currently have a personal or professional understanding of dementia. They give their time voluntarily and receive no benefits from the Society. Any expenses reclaimed from the Society are set out in note 5 to the accounts.

The Board is supported in its work by the following committees:

- the Finance and Audit Committee supports the Board in its oversight responsibilities in respect of the financial reporting process, planning and budgeting, compliance and corporate risk
- the Investment Committee monitors the performance of the Society's investments
- the Nominations and Appointments Committee has primary responsibility for identifying the skills required to complement the skills base of existing Trustees, identifying suitable candidates, appointing Trustees, and recommending potential Trustees to the members for election to the Board
- the Remuneration Committee supports the Board in determining the pay of the Chief Executive and considers other issues related to Society pay and conditions.

All committees report on their activities to the Board. The Board records its thanks to the independent members who assist in the work of the Finance and Audit, Investment, and Nominations and Appointments Committees.

The Trustees confirm that they have complied with the duty in Section 4 (4) of the Charities Act 2011 by referring to the Charity Commission's general guidance on public benefit when reviewing the aim and objectives of the Society and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

Structure and management

The Senior Management Team

The Board of Trustees delegates responsibility for the operational management and leadership of the Society to the Chief Executive, who is supported by the members of the Senior Management Team (SMT).

Staff and volunteers

Across England, Wales and Northern Ireland, over 8,000 people (2,000 staff and 6,300 volunteers) contribute to the work of the Society. Everyone who works within the Society – whether on a paid basis or as a volunteer (including Trustees) – is required to act in accordance with the values and operating principles outlined in the Society's Strategic Framework and with all policies currently in force. Alzheimer's Society is working towards being an equal opportunities employer.

Disabilities in the workplace

As an employer, the Society will not discriminate against a disabled person for a reason that relates to their disability, or treat them less favourably than a non-disabled person. The Society will conduct an individual risk assessment for every applicant, employee or volunteer with a disability. This will identify any reasonable adjustments that need to be made to the workplace or job in order for the person to contribute fully to the work of the Society.

Management of risk

Alzheimer's Society has a comprehensive corporate risk management framework in place to identify and address the major financial, operational, governance, reputational and regulatory risks which might impact on its ability to meet its objectives. The most significant risks facing the Society relate to the continuing economic uncertainty in the UK generally, which affects both voluntary and statutory income, and to the health and social care environment in particular. With the latter, the risks derive from the restructuring of the health service in England, the changes to commissioning, and the continued different approaches to health and social care funding.

The corporate risk register records the major risks to which the charity is exposed, existing controls designed to mitigate those risks and actions required to mitigate risks further, if appropriate. SMT reviews and updates the risk register on a regular basis.

The Board of Trustees has overall responsibility for assessing the risks faced by the Society and ensuring it has appropriate systems of internal control in place. This responsibility is delegated to the Finance and Audit Committee, which reviews the risk register at each meeting and provides updates to the Board.

Mitigating action has been taken on all identified risks. The Society has systems of control that include:

- an established and documented policy framework
- a comprehensive annual planning and budgeting process, which is subject to ongoing review during the year by SMT and the Board of Trustees
- monthly review of management accounts and non-financial management information by SMT. This review is presented to Trustees
- regular monitoring of key risks and action plans by SMT and the Finance and Audit Committee.

Although the Trustees are of the opinion that reasonable steps have been taken to ensure that the major risks to which the Society is exposed are identified and reviewed and that there are systems in place to mitigate them, they are aware that such processes are designed to manage rather than eliminate all major risks and they can only provide reasonable but not absolute assurance.

Investments

As set out in its Articles of Association, the Society has absolute discretion to invest money not immediately required for expenditure. The performance of the Society's investments, which were managed by Close Asset Management Group (until 22 March 2012, after which they have been managed by J.P. Morgan), is overseen by the Investment Committee, which reports to the Board of Trustees. The Society's investment managers are instructed to avoid any investment in companies that profit materially from products that may be harmful to people with dementia or contribute to the causes of dementia.

It is important to note that, as in the previous year, the Society has had no exposure to any known financial institution at risk.

Income from the pharmaceutical industry

The Society's ethical policy states that income from the pharmaceutical industry should be capped at 5 per cent of income, based on the accounts for the preceding year. Support from pharmaceutical companies during 2011/12 amounted to £105,000 representing less than 2 per cent of total income.

Research grants

Research funding is awarded through the Research Network. The Society invites applications for funding of research projects through a variety of media. Applications are assessed by a panel, which recognises Research Network priorities as well as ensuring scientific quality and timeliness. Projects (which normally last for between two and three years) are regularly monitored by professionals and the Research Network to ensure the appropriateness of continued funding.

Structure and management

Subsidiaries

Alzheimer's Trading Limited (ATL)

ATL is a wholly owned subsidiary of the Society which generates income from training courses, raffles, licensing and marketing a wide range of gifts, merchandise and products. Each sale helps to support the fight against dementia. ATL's profits are gift aided to the Society. These profits amounted to £46,000 in respect of the year to 31 March 2012 (2011: £453,000).

Additional donations of £184,000 were received directly by the Society as a result of ATL's raffle and catalogue activities.

The Chief Executive of Alzheimer's Society is the Chair of ATL, giving a clear and direct line of report into the Society's Board of Trustees.

The Alzheimer's Foundation for Research into Alzheimer's Disease

The principal activities of the Alzheimer's Foundation are to promote research leading to a cure for Alzheimer's disease and to publish the results of such research. It is a company limited by guarantee and is a registered charity. During 2011/12 two grants of £210,000 each were made; one to Alzheimer's Society and the other to Alzheimer's Research UK.

Further details of the subsidiaries are included in note 7 to the financial statements.

Joint venture

Alzheimer's Brain Bank UK Limited (ABBUK)

ABBUK is a company limited by guarantee, and is a registered charity. The principal activities are to establish, promote and maintain banks of tissue for research into the cause, prevention and cure of Alzheimer's disease and associated neurodegenerative diseases and disorders. Alzheimer's Society in collaboration with Alzheimer's Research UK and the Medical Research Council supports the Brains for Dementia Research (BDR) initiative (www.brainsfordementiaresearch.org.uk). This provides a simple, nationwide system for brain donation at a network of brain bank facilities across England and Wales. Six recruitment centres are now actively registering and assessing prospective tissue donors and collecting and disseminating samples for research.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and regulations. Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

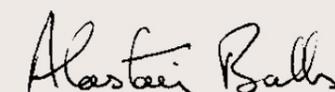
Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its net incoming resources for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- make judgments and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Society's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Insofar as each of the Trustees of the Society at the date of approval of this report is aware there is no relevant audit information (information needed by the company's auditors in connection with preparing the audit report) of which the Society's auditors are unaware. Each Trustee has taken all of the steps that he/she should have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the Society's auditors are aware of that information.



Alastair Balls CB DL

Chair

11 September 2012

Consolidated statement of financial activities

For the year ended 31 March 2012

Incorporating an income and expenditure account

	Notes	Restricted funds £'000	Unrestricted funds £'000	2012 Group total £'000	2011 Group total £'000
Incoming resources from generated funds					
Voluntary income					
Subscriptions, donations, and fundraising		7,108	21,557	28,665	21,719
Legacies	2a	2,312	10,145	12,457	10,399
Activities for generating funds					
Sales and fee income		168	2,930	3,098	3,082
Trading turnover of subsidiaries	7c	–	1,593	1,593	1,955
Investment income	2b	–	880	880	856
Incoming resources from charitable activities					
Grants and contracts	2c	2,075	22,234	24,309	23,634
Other incoming resources		–	6	6	–
Share of gross incoming resources in joint venture		–	50	50	113
Incoming resources		11,663	59,395	71,058	61,758
Less gross incoming resources from joint venture		–	50	50	113
Total incoming resources		11,663	59,345	71,008	61,645
Resources expended					
Costs of generating funds					
Trading costs of subsidiaries	7c	–	1,542	1,542	1,498
Fundraising and publicity costs		1,571	10,396	11,967	9,805
Total costs of generating funds	3	1,571	11,938	13,509	11,303
Net incoming resources available for charitable application		10,092	47,407	57,499	50,342
Charitable expenditure					
Charitable activities					
Care services	3	4,749	42,745	47,494	44,686
Campaigning and awareness raising	3	352	4,223	4,575	3,389
Research	3	2,142	1,481	3,623	2,785
Governance	3	–	356	356	403
Total charitable expenditure		7,243	48,805	56,048	51,263
Total expenditure	3	8,814	60,743	69,557	62,566
Net incoming / (outgoing) resources		2,849	(1,398)	1,451	(921)
Net interest in joint venture operating result		–	10	10	(5)
Net incoming / (outgoing) resources		2,849	(1,388)	1,461	(926)
Net realised gains on investments	7a	–	1,121	1,121	622
Surplus / (deficit) for the year		2,849	(267)	2,582	(304)
Net unrealised losses on investments	7a	–	(1,510)	(1,510)	(60)
Net movement in funds		2,849	(1,777)	1,072	(364)
Funds balance at 1 April 2011		4,049	23,975	28,024	28,388
Funds balance at 31 March 2012		6,898	22,198	29,096	28,024

Total incoming resources includes £69.0 million (2011: £60.1 million) and net movement in funds includes £1.2 million inflow (2011: £268,000 outflow) in respect of the Society. The notes on pages 41 to 54 form part of these financial statements.

All of the above amounts relate to continuing activities.

Consolidated and Society balance sheets

As at 31 March 2012

	Notes	2012 Group funds £'000	2012 Society funds £'000	2011 Group funds £'000	2011 Society funds £'000
Fixed assets					
Tangible assets	6	1,254	1,254	1,513	1,513
Investments	7a	20,674	20,774	24,654	24,754
		21,928	22,028	26,167	26,267
Current assets					
Short-term investments and deposits	7b	17,284	17,284	10,004	10,004
Stock	8	66	2	38	2
Debtors	9	5,438	5,671	3,959	4,602
Cash at bank and in hand		1,506	903	2,197	1,154
		24,294	23,860	16,198	15,762
Current liabilities					
Creditors – amounts falling due within one year	10	(13,951)	(13,704)	(10,507)	(10,437)
Net current assets		10,343	10,156	5,691	5,325
Total assets less current liabilities		32,271	32,184	31,858	31,592
Long-term liabilities					
Creditors – amounts falling due after one year	10	(2,309)	(2,309)	(3,118)	(3,118)
Provisions for liabilities and charges	11	(866)	(866)	(716)	(716)
		29,096	29,009	28,024	27,758
Net assets					
Funds					
Restricted					
Designated funds	15	6,898	6,898	4,049	4,049
Revaluation reserve		664	664	2,174	2,174
General funds		20,280	20,193	20,288	20,022
Unrestricted					
	15	22,198	22,111	23,975	23,709
Total funds		29,096	29,009	28,024	27,758

The financial statements on pages 38 to 54 were approved and authorised for issue by the Trustees on 11 September 2012 and signed on their behalf by:



Alastair Balls CB DL
Chair



John Grosvenor
Honorary Treasurer

The notes on pages 41 to 54 form part of these financial statements.
Company Number 2115499.

Consolidated cash flow statement For the year ended 31 March 2012

	Notes	2012 Group £'000	2011 Group £'000
Net cash inflow / (outflow) from operating activities	A	2,402	(374)
Returns on investment	B	880	856
Net cash inflow / (outflow) from capital expenditure and financial investment	C	3,307	(378)
		6,589	104
Management of liquid resources	D	(7,280)	806
(Decrease) / increase in cash in the year	E	(691)	910

Notes to cash flow statement For the year ended 31 March 2012

	2012 Group £'000	2011 Group £'000
A. Reconciliation of operating surplus to net cash inflow from operating activities		
Net incoming / (outgoing) resources before revaluations	1,461	(926)
Interest receivable and other investment income	(880)	(856)
Depreciation	549	576
Profit on sale of tangible fixed assets	(6)	(2)
Increase in stock	(28)	(17)
(Increase) / decrease in debtors	(1,479)	25
Increase / (decrease) in creditors – falling due within one year	3,444	(20)
(Decrease) / increase in creditors – falling due after one year	(809)	630
Increase in provisions for liabilities and charges	150	216
Net cash inflow / (outflow) from operating activities	2,402	(374)

B. Returns on investment

Interest received and other investment income	880	856
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C. Capital expenditure and financial investment

Purchase of UK Treasury stock	(2,281)	(1,275)
Purchase of other investments	(5,637)	(8,984)
Proceeds from sale of investments	11,509	10,279
Purchase of tangible fixed assets	(291)	(412)
Proceeds from sale of fixed assets	7	14
Net cash inflow / (outflow) from capital expenditure and financial investments	3,307	(378)

D. Management of liquid resources

(Increase) / decrease in short-term deposits	(7,280)	806
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E. Analysis of change in net funds

	As at 1 April 2011 Group £'000	Cash flows £'000	As at 31 March 2012 Group £'000
Cash at bank and in hand	2,197	(691)	1,506

Notes to the financial statements For the year ended 31 March 2012

1. Accounting policies

The financial statements have been prepared under the historic cost convention (with the exception of listed investments which are included on a market value basis) and in accordance with the Charities (Accounts and Reports) Regulations 2008, the current Statement of Recommended Practice, Accounting and Reporting by Charities (the Charities SORP 2005), the Companies Act 2006 and applicable accounting standards.

Basis of consolidation

The financial statements include the assets, liabilities and funds, and the statement of financial activities of the Society, including all localities and its subsidiaries. The Society's annual share of the profits or losses from joint ventures is included in the statement of financial activities (SOFA) and its share of the net assets is included in the balance sheet. No separate SOFA has been prepared for the parent charity as is permitted by section 408 of the Companies Act 2006 and paragraph 397 of the SORP.

Incoming resources

All income, restricted or unrestricted, is accounted for on an accruals basis. Legacies are recognised in the SOFA when there is adequate certainty and reliability of receipt and their value can be accurately measured. This is based on all notifications of legacies received by 31 March 2012 for which income was received by 4 May 2012 (2011: 6 May). Legacies not recognised in the SOFA are disclosed in note 2a. Donations in kind are recognised at their value to the Group when they are received. No amounts are included for services donated by volunteers. Gift aid is included in the accounts based on amounts recoverable at balance date.

Expenditure

Expenditure is accounted for on an accruals basis. Where appropriate, it has been allocated directly to operating activities. Support costs have been allocated to activity categories in proportion to the staff numbers within each activity. Some Alzheimer's Society activities are classified as exempt or non-business activities for the purposes of VAT, so the Society is unable to reclaim all the VAT that it incurs on its operating costs. Expenditure in these financial statements is therefore shown inclusive of any VAT paid which is not recoverable. Governance costs are those incurred in compliance with constitutional and statutory requirements, including related professional fees and a proportion of the salary costs of relevant staff.

Grants

Grants receivable are included in the accounts on an accruals basis as soon as it is prudent and practical to do so. Grants received for a specific purpose are accounted for as restricted funds. Grants payable are accounted for on an accruals basis. Research grants payable to third parties are included in the accounts when an agreement is made to commit funds to a specific project, notwithstanding that payment of the funds may be made at a later date.

Tangible fixed assets

Tangible fixed assets, with a value of £500 or more, are stated at cost or valuation when acquired and depreciated over their estimated useful lives on a straight-line basis at the following rates

Freehold property	not depreciated
Leasehold improvements	over the life of the lease
Service user transport	25% per annum
Fixtures and fittings	25% per annum
Office equipment	25% per annum
Computer equipment and software	33⅓% per annum

No charge is made for depreciation of freehold property as, in the opinion of the Trustees, any charge and accumulated balance in respect of depreciation would be immaterial. The Trustees will undertake future impairment reviews in accordance with FRS11. Items costing less than £500 are expensed immediately to the SOFA.

Investments

Investments are stated at market value. Any unrealised gains or losses are transferred to reserves.

Stock

Stock, which consists mainly of promotional goods, publications, gifts and Christmas cards, is stated at the lower of cost and net realisable value, and includes any costs to bring it to its current location and condition.

Pension costs

Contributions to the Society's defined contribution pension scheme are charged to the SOFA in the year in which they become payable.

Operating leases

Expenditure on operating leases is charged to the SOFA on a straight-line basis over the period of the lease.

Provisions for liabilities and charges

Provisions are made in the accounts for property dilapidation costs and charges that may be incurred on the termination of leases. These provisions include any known exposure together with an estimate based on the level of historic claims projected to anticipated lease terminations.

Funds

Restricted funds are those specified by the donor only to be used for particular purposes, within the objectives of the Society. Designated funds are funds set aside for specific purposes by the Trustees out of unrestricted funds. Unrestricted funds are funds that can be freely used at the discretion of the Trustees in accordance with the charitable objectives of the Society.

Shared services

CharITyshare Limited is incorporated in England and Wales to provide a shared IT service. During the year the members were Alzheimer's Society, The Children's Society and Age UK. At 31 March 2012 it was jointly and equally owned by the three participants. Alzheimer's Society accounts for its share of assets, liabilities and cash flow according to the shared services agreement.

Notes to the financial statements

For the year ended 31 March 2012

2. Income

(a) Legacies

As stated in the accounting policies (note 1), the Society recognises income from legacies when there is certainty and reliability of receipt and their value can be accurately measured. At 31 March 2012, the Society had been notified of a further 405 legacies that have not been included in these financial statements as they did not meet these criteria. These legacies may realise approximately £6.4 million.

	2012 Group total £'000	2011 Group total £'000
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(b) Investment income

Bank and other interest	36	36
Income from fixed interest investments	316	353
Income from listed equity investments	528	467
	880	856

	2012 Group total £'000	2011 Group total £'000
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(c) Grants and contract income includes:

The Big Lottery Fund	829	177
Newcastle City Council	358	–
South Tyneside Borough Council	334	–
Sefton Primary Care Trust	260	–
The Henry Smith Charity	256	223
Gateshead Metropolitan Borough Council	233	–
Health Lottery	227	–
Sunderland City Council	227	–
Northern Rock Foundation	180	118
Durham County Council	166	–
Leicestershire County Council	157	201
Department of Health	155	195
Halton Borough Council	150	–
Liverpool Primary Care Trust	150	–
Wirral Primary Care Trust	118	118
Central and Eastern Cheshire Primary Care Trust	103	–
North of Tyne NHS	92	–
Stavros Niarchos Foundation	92	–
Tees and North Yorkshire NHS Trust	91	–
Comic Relief – campaigning and advocacy	80	147
Cheshire West and Chester Council	74	–
Knowsley Metropolitan Council and Knowsley Care Trust	74	74
Torfaen County Borough Council	65	–
Welsh Assembly Government	62	65
North Tyneside Council	60	–
Monmouthshire County Council	59	–
Leicester City Council	52	–

	2012 Group total £'000	2011 Group total £'000
Stockton-on-Tees Borough Council	50	–
The City Bridge Trust	50	50
Urmston Housing Society	50	–
Warrington Borough Council	43	–
Sunderland Primary Care Trust	41	–
Cheshire East Council	37	–
Northumberland Care Trust	34	–
Leicestershire County and Rutland Primary Care Trust	26	26
South Tyneside Primary Care Trust	26	–
Northumbria Hunter Care Trust	25	–
The Kirby Laing Foundation	20	–
The Waterloo Foundation	20	20
Country Durham and Darlington Primary Care Trust	18	–
West Cheshire NHS	18	–
The Rayne Foundation	15	–
The February Foundation (formerly The C Charitable Trust)	10	3
Bill Brown's Charitable Settlement of 1989	7	–
Rutland County Council	6	–
Central Lancashire NHS	4	–
The Coward Endowment Trust	3	5
Sussex Community Foundation	2	–
Lord and Lady Lurgan Trust	1	1
Cantus Novae	–	4
Cheadle Royal Trust	–	32
Comic Relief – services Bromley	–	5
Department of Health, Social Sciences and Public Safety Northern Ireland	–	43
Greenham Common Trust	–	50
Herbert and Peter Blagrove Charitable Trust	–	10
John Lewis Partnership General Community Fund (UK)	–	20
Lancashire Care Foundation	–	12
Mayor Liddington Fund	–	11
North Yorkshire County Council	–	2
Opportunities for Volunteering	–	31
Schofield Trust	–	315
Sefton Council	–	5
Stockport MBC	–	50
Susan Weeks Memorial Fund	–	8
The Lapid Trust	–	15
The People's Millions	–	48
Trafford Council	–	36

Under the terms of the grant or contract, these grants or contracts have been disclosed individually.

(d) Gift aid recovery

The consolidated SOFA includes £1.94 million (2011: £1.44 million) for gift aid on voluntary fundraising. Additionally, profits of Alzheimer's Trading Limited of £46,000 (2011: £453,000) were paid under gift aid to the Society.

Notes to the financial statements

For the year ended 31 March 2012

3. Resources expended

	Fundraising £'000	Care services £'000	Campaigning £'000	Research £'000	Governance £'000	2012 Group total £'000	2011 Group total £'000
Activities undertaken directly	12,436	40,349	4,321	492	338	57,936	52,417
Grant funding of activities (note 4)	–	34	–	3,084	–	3,118	2,217
Direct costs	12,436	40,383	4,321	3,576	338	61,054	54,634
IT costs	284	1,890	67	13	5	2,259	2,493
Premises costs	301	1,995	71	13	5	2,385	2,334
Human resources	238	1,567	56	10	4	1,875	1,487
Finance and corporate services	250	1,659	60	11	4	1,984	1,618
Support costs	1,073	7,111	254	47	18	8,503	7,932
Total costs	13,509	47,494	4,575	3,623	356	69,557	62,566

Basis of support cost allocation

Support costs are allocated to service departments based on staff numbers. Fundraising costs include the trading costs of subsidiaries.

Expenditure by outcomes: (Outcomes are defined on pages 8-9)	Fundraising £'000	Care services £'000	Campaigning £'000	Research £'000	Governance £'000	2012 Group total £'000
Inform	–	9,974	1,601	–	–	11,575
Access	–	–	732	–	–	732
Support	–	23,747	–	–	–	23,747
Rights	–	–	641	–	–	641
Research	–	–	984	3,623	–	4,607
Community	–	4,749	–	–	–	4,749
Challenge	–	–	617	–	–	617
Choice	–	9,024	–	–	–	9,024
Fundraising	13,509	–	–	–	–	13,509
Governance	–	–	–	–	356	356
	13,509	47,494	4,575	3,623	356	69,557

An apportionment of expenditure by outcomes was completed in 2011/12 for the first time and no comparative figures are available.

Activities undertaken directly for care services were:

	2012 Group £'000	2011 Group £'000
Day care	6,377	6,405
Dementia support	8,587	6,773
Dementia advisers	1,232	1,592
Home care	2,678	2,363
Information provision	346	520
Support groups	1,840	1,167
Befriending	1,358	1,387
Advocacy	518	479
Care staff costs attributable over multiple activities	9,428	9,179
Other services	7,985	8,141
	40,349	38,006

Governance direct costs were:

	2012 Group £'000	2011 Group £'000
Audit costs – Crowe Clark Whitehill	92	97
Other audit costs	–	14
Other payments to Crowe Clark Whitehill	–	1
Board of Trustees	27	26
Company secretarial	105	75
AGM and other governance meetings	4	85
Internal audit and strategic support	110	89
	338	387

Company secretarial costs represent the salaries and direct expenditure incurred by the company secretary department. The company secretary department is involved in operations to comply with the statutory requirements of operating a charitable company.

Notes to the financial statements For the year ended 31 March 2012

4. Grant giving

Grants awarded during the financial year include:

Research grants to institutions	2012	2011
By Society:	Group	Group
	£'000	£'000
King's College London	715	356
University of Edinburgh	522	161
Imperial College of London	339	68
University of Southampton	310	100
Cardiff University	275	15
University of Worcester	224	–
St George's, University of London	126	–
University of Nottingham	100	–
Queen's University of Belfast	75	34
University of Oxford	75	–
University of St Andrews	75	–
ABBUK	50	167
University of Cambridge	40	202
BMJ Publishing	36	–
Central and North West London NHS Foundation Trust	32	–
Oxford Health NHS Foundation Trust	25	–
National Prevention Research Initiative	25	–
University College London	22	113
Dissemination Grants on Research Projects	10	21
University of Bristol	–	177
University of Dundee	–	75
University of Manchester	–	104
University of Newcastle	–	25
University of Sussex	–	75
University of Tasmania	–	132
University of Warwick	–	26
Underspend on completed projects written back	(2)	(24)
University of Leeds	(200)	200
	2,874	2,027
By Foundation:		
Alzheimer's Research UK	210	150
	3,084	2,177

Caring grants to individuals and institutions:	2012	2011
	£'000	£'000
Age NI Elder Abuse Project	20	–
Carers UK	5	–
Grants below £1,000	9	40
	34	40

5. Staff costs

	2012	2011
	Group	Group
	£'000	£'000
Gross wages and salaries	35,425	31,413
Employer's National Insurance	2,918	2,788
Pension contributions	888	888
	39,231	35,089

Pension costs

The Society operates a group personal pension scheme, administered by Zurich Assurance Ltd, which is open to all staff on completion of entry requirements. Pension costs of up to 8% of gross pensionable salary for all eligible employees are charged to expenditure as they are incurred. The average number of employees during the year was as follows:

	2012	2012	2011	2011
	Group	Group	Group	Group
	full time	part time	full time	part time
	no.	no.	no.	no.
Fundraising	172	20	159	24
Care services	561	1,293	516	1,301
Campaigning	41	4	43	4
Research	8	–	8	–
Governance	3	–	3	–
	785	1,317	729	1,329

The numbers of employees in total emolument bands (excluding pension contributions) in excess of £60,000 were as follows:	2012	2011
	No.	No.
£60,001 – £70,000	11	7
£70,001 – £80,000	1	1
£80,001 – £90,000	1	1
£90,001 – £100,000	2	3
£100,001 – £110,000	–	1
£130,001 – £140,000	1	–

Notes to the financial statements

For the year ended 31 March 2012

	2012 £'000	2011 £'000
For staff paid over £60,000, the following pension scheme contributions were made:	86	62
	2012 No.	2011 No.
The number of staff paid over £60,000 to whom retirement benefits are accruing is:	13	10

All employees participate in the same pension arrangements.

Members of the Board

None (2011: none) of the Trustees who held office during the year received any remuneration. Expenses for travel and subsistence were reimbursed or paid on behalf of 13 (2011: 16) Trustees during the year totalling £26,155 (2011: £28,238).

6. Tangible fixed assets – Group and Society

	Freehold property £'000	Leasehold improvements £'000	Service user transport £'000	Furniture and fittings £'000	Office and computer equipment £'000	Total £'000
Cost						
As at 1 April 2011	237	1,917	784	657	2,366	5,961
Additions	–	4	63	18	206	291
Disposals	–	–	(27)	–	–	(27)
As at 31 March 2012	237	1,921	820	675	2,572	6,225
Depreciation						
As at 1 April 2011	–	1,331	594	566	1,957	4,448
Charge for the year	13	145	84	46	261	549
Disposals	–	–	(26)	–	–	(26)
As at 31 March 2012	13	1,476	652	612	2,218	4,971
Net book value						
As at 1 April 2011	237	586	190	91	409	1,513
As at 31 March 2012	224	445	168	63	354	1,254

7. Investments

(a) Fixed asset investments

	2012 Group £'000	2012 Society £'000	2011 Group £'000	2011 Society £'000
Opening valuation 1 April	24,654	24,754	24,112	24,212
Additions	7,918	7,918	10,259	10,259
Disposals	(11,509)	(11,509)	(10,279)	(10,279)
Realised gains on disposals during year	1,121	1,121	622	622
Unrealised loss on valuation	(1,510)	(1,510)	(60)	(60)
Closing valuation 31 March	20,674	20,774	24,654	24,754

	2012 Group £'000	2012 Society £'000	2011 Group £'000	2011 Society £'000
Equity Investments listed on a recognised stock exchange	11,173	11,173	16,402	16,402
Fixed Interest Investments listed on a recognised stock exchange	9,490	9,490	8,251	8,251
Investment in subsidiary and associated undertakings	–	100	–	100
Share of assets in joint venture	703	703	863	863
Share of liabilities in joint venture	(692)	(692)	(862)	(862)
Total	20,674	20,774	24,654	24,754
Investment assets in the UK	16,253	16,353	19,092	19,192
Investment assets outside the UK	4,421	4,421	5,562	5,562
Total	20,674	20,774	24,654	24,754

The cost price of investments listed on a recognised stock exchange is £20.0 million. All of the investments at 31 March 2012 and 31 March 2011 were held to the order of the Society. At 31 March 2012 one individual investment (2011: none) exceeded 5% by value of the total portfolio: UK Government 1.125% Index linked stock maturing 22/11/37 (5.5% of total portfolio value).

Joint venture investment

Alzheimer's Brain Bank UK Ltd (ABBUK) is a company limited by guarantee (number 5762960) and a registered charity (number 1114579). It has two members, Alzheimer's Society and Alzheimer's Research UK. The main objectives of the charity are to protect and promote the health of the public, in particular by establishing, promoting and maintaining banks of brain tissue for research into the cause, prevention, treatment and cure of Alzheimer's disease and associated neurodegenerative diseases and disorders.

The Society owns a 50% share in ABBUK and its share of the net assets is £11,013 (2011: £497).

This joint venture is accounted for in accordance with FRS 9 and the Charities SORP under the gross equity method.

(b) Short-term investments and deposits

	2012 Group £'000	2012 Society £'000	2011 Group £'000	2011 Society £'000
Short-term investments and deposits held by:				
Close Asset Management Group	6	6	1,213	1,213
J.P. Morgan Current Account	5,582	5,582	–	–
HSBC	11,696	11,696	8,791	8,791
	17,284	17,284	10,004	10,004

(c) Subsidiary companies

Alzheimer's Trading Limited, registered number 2737333, is a wholly owned subsidiary of Alzheimer's Society whose profits are gift aided to Alzheimer's Society. The trading company receives income from training courses and raffles and markets a wide range of gifts, merchandise and products with each sale helping to support our cause in improving the lives of people with dementia.

The Alzheimer's Foundation for Research into Alzheimer's Disease (Charity Registration Number 1075535) is a subsidiary of Alzheimer's Society by virtue of all of the members being nominees of the Society. In 2011/12, a grant of £210,000 was made to Alzheimer's Society's research programme (2011: £150,000) and £210,000 to Alzheimer's Research UK (2011: £150,000).

Notes to the financial statements For the year ended 31 March 2012

	Alzheimer's Trading Limited £'000	The Alzheimer's Foundation for Research into Alzheimer's Disease £'000	2012 Total £'000	2011 Total £'000
Profit and loss accounts for the year ended 31 March 2012				
Turnover	1,593	–	1,593	1,955
Donations and legacies	–	245	245	213
Cost of sales	(996)	–	(996)	(1,064)
Gross profit	597	245	842	1,104
Bank interest	–	–	–	1
Distribution expenses	(306)	–	(306)	(295)
Administration expenses	(240)	–	(240)	(139)
Charitable activities	–	(420)	(420)	(300)
Governance costs	(5)	(4)	(9)	(9)
Net profit / (loss)	46	(179)	(133)	362
Payment to the Society under gift aid	(46)	–	(46)	(453)
Deficit retained in subsidiaries	–	(179)	(179)	(91)
Balance sheets at 31 March 2012				
Stock	64	–	64	36
Debtors	323	69	392	721
Cash at bank and in hand	581	22	603	1,043
Creditors – amounts falling due within one year	(868)	(4)	(872)	(1,434)
Net assets	100	87	187	366
Financed by:				
Ordinary share capital	100	–	100	100
Unrestricted funds	–	87	87	266
Total funds	100	87	187	366

Alzheimer's Trading Limited owns all the ordinary share capital of two other companies. Both of these companies are registered in England, are dormant, and had no assets or liabilities as at 31 March 2011 and 2012.

8. Stock

	2012 Group £'000	2012 Society £'000	2011 Group £'000	2011 Society £'000
Finished goods and goods for re-sale	66	2	38	2

9. Debtors

	2012 Group £'000	2012 Society £'000	2011 Group £'000	2011 Society £'000
Trade debtors	3,271	2,948	1,888	1,403
Legacy debtors	610	610	354	354
Prepayments	676	676	497	497
Accrued income	438	438	573	573
Other debtors	443	443	647	647
	5,438	5,115	3,959	3,474
Amounts due from subsidiary undertaking	–	556	–	1,128
	5,438	5,671	3,959	4,602

Accrued income includes income receivable of £118,000 (2011: £140,000) for gift aid recovery.

10. Creditors

	2012 Group £'000	2012 Society £'000	2011 Group £'000	2011 Society £'000
Amounts falling due within one year:				
Research grant creditors	3,831	3,831	2,569	2,569
Trade creditors	2,446	2,130	2,038	1,854
Other taxes and social security	962	962	803	803
Other creditors	777	777	807	807
Accruals	2,261	2,261	1,339	1,217
Deferred income (see note 12)	3,674	3,674	2,951	2,951
	13,951	13,635	10,507	10,201
Amounts due to subsidiary undertaking	–	69	–	236
	13,951	13,704	10,507	10,437

Amounts falling due after one year:

Research grant creditors	2,309	2,309	3,118	3,118
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Research grant creditors are payable:

Within one year	3,831	3,831	2,569	2,569
Between one and two years	1,391	1,391	1,328	1,328
Between two and five years	918	918	1,790	1,790
Total research grant creditors	6,140	6,140	5,687	5,687

Included in research grant creditors are amounts due to the joint venture, ABBUK, of £638,000 (2011: £834,000).

Notes to the financial statements For the year ended 31 March 2012

11. Provisions for liabilities and charges

	2012 Group £'000	2012 Society £'000	2011 Group £'000	2011 Society £'000
Balance at 1 April 2011	716	716	500	500
Amounts provided for during the year	168	168	216	216
Amounts released to resources expended during the year	(18)	(18)	–	–
	866	866	716	716

12. Deferred income

	2012 Group £'000	2012 Society £'000	2011 Group £'000	2011 Society £'000
Balance at 1 April 2011	2,951	2,951	2,066	2,066
Amounts released to incoming resources	(2,951)	(2,951)	(2,066)	(2,066)
Amounts deferred in the year	3,674	3,674	2,951	2,951
	3,674	3,674	2,951	2,951

13. Share capital

The Society has no issued share capital as it is a company limited by guarantee.

14. Taxation

Alzheimer's Society is a registered charity and its activities fall within the exemptions of the Income and Corporation Taxes Act 1988. The Society is therefore not liable for Corporation Tax.

15. Funds

	Note	At 1 April 2011 Group £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains and losses £'000	At 31 March 2012 Group £'000
Restricted funds							
Big Lottery Fund							
Care services	(a)	87	829	(651)	–	–	265
		87	829	(651)	–	–	265
Other funders							
Research		666	3,466	(2,142)	–	–	1,990
Care services		2,691	1,785	(3,397)	15	–	1,094
Geographically restricted funds		378	3,081	(1,221)	(1)	–	2,237
Worried about your memory?		200	–	–	–	–	200
Other		27	2,502	(1,403)	(14)	–	1,112
		3,962	10,834	(8,163)	–	–	6,633
Total restricted funds		4,049	11,663	(8,814)	–	–	6,898
Unrestricted funds		23,975	59,345	(60,743)	–	(379)	22,198
Total funds		28,024	71,008	(69,557)	–	(379)	29,096

Unrestricted funds includes designated funds of £1.3 million (2011: £1.5 million) which represent the Society's investment in tangible fixed assets which are not immediately realisable. Transfers between funds occur so that incoming and outgoing resources with the same restriction are matched.

(a) During the year the Society was in receipt of 12 grants from the Big Lottery Fund. These grants are restricted to the activities agreed to by the Big Lottery Fund and the Society. In accordance with their terms, an analysis by activity is reported below:

	At 1 April 2011 Group £'000	Incoming resources £'000	Resources expended £'000	At 31 March 2012 Group £'000
Care services				
AdvantAge advocacy – Wales	–	109	(27)	82
AdvantAge befriending – Wales	–	123	(36)	87
Awards for All – North Yorkshire	–	10	(5)	5
Awards for All – Portsmouth	–	10	(6)	4
Community fund – Bromley	38	–	(32)	6
Healthy Minds – Northern Ireland	–	10	–	10
Reaching communities – New Forest	–	59	(59)	–
Reaching communities – Northumberland	–	136	(113)	23
Reaching communities – Scarborough, Whitby and Ryedale	–	157	(150)	7
Reaching communities – Tower Hamlets	16	79	(69)	26
Reaching communities – West Cumbria	33	108	(126)	15
Reaching communities – West Lancashire	–	28	(28)	–
	87	829	(651)	265

Notes to the financial statements For the year ended 31 March 2012

16. Financial and other commitments

(a) Operating leases – Group

At 31 March the Society had annual commitments under non-cancellable operating leases as set out below:

	2012 Land and buildings £'000	2012 Other £'000	2011 Land and buildings £'000	2011 Other £'000
Operating leases which expire:				
Within one year	1,972	62	1,903	137
In two to five years	5,875	109	5,682	279
After five years	277	46	1,370	–
	8,124	217	8,955	416

(b) Other commitments

The Society had no commitments to provide contractual services to local authorities and other statutory and non-statutory bodies that required a capital expenditure commitment (2011: none).

17. Analysis of group net assets between funds

	Tangible fixed assets £'000	Fixed asset investments £'000	Net current assets £'000	Creditors due after 1 year and provisions £'000	Total £'000
Restricted funds	–	–	6,898	–	6,898
Designated funds	1,254	–	–	–	1,254
General funds	–	20,674	3,445	(3,175)	20,944
	1,254	20,674	10,343	(3,175)	29,096

Independent Auditor's Report to the Members of Alzheimer's Society

We have audited the financial statements of Alzheimer's Society for the year ended 31 March 2012, which comprise the Consolidated Statement of Financial Activities, the Consolidated and Society Balance Sheets, the Consolidated Cash Flow Statement and the related notes numbered 1 to 17.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of Alzheimer's Society for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Trustees' Annual Report and any other surrounding information to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2012 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate accounting records, or returns adequate for our audit have not been received from localities not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Tina Allison

Senior Statutory Auditor

For and on behalf of
Crowe Clark Whitehill LLP
Statutory Auditor
St Bride's House
10 Salisbury Square
London EC4Y 8EH

11 September 2012

A big thank you

To all our supporters who helped us continue to fight against dementia in 2011/12, including:

Patrons

Professor David J Brooks
Dame Judi Dench
Britt Ekland
Lord Moser
Professor Steven Rose

Vice-Presidents

Rt Hon David Blunkett MP
Baroness Browning
Professor Jim Edwardson
Dr Nori Graham
Sir John Gordon Hannam
Dr Anne Hunter OBE
Morella Kayman MBE
Dr Christine Kirk
Lord Morris of Manchester
Baroness Murphy
Anne Robinson
Professor Martin Rossor
Lady Saunders
Rt Hon Malcolm Wicks MP
Professor Gordon Wilcock

Ambassadors

Peter Ashley
Professor Sube Banerjee
Lynda Bellingham
Nick Bence-Trower
Rt Hon Hazel Blears MP
Baroness May Blood MBE
John Bowis OBE
Rosie Boycott
Jo Brand
Professor Carol Brayne
Richard Briers CBE
Paul Brooks
Graham Browne
Tania Bryer
Paul Dacre
Christopher Devas
Professor Murna Downs
Peter Dunlop
Lord Fellowes of West
Stafford
Professor Nick Fox
Professor Steve Gentleman

AA Gill

Russell Grant
John Griffith-Jones
Baroness Sally
Greengross OBE
Alison Halsey
Dame Denise Holt DCMG
John Hughes
Professor Robin Jacoby
Trevor Jarvis
Dr Ann Johnson
Mike Kelly
Ruth Langsford
Sally Lindsay
Richard McCourt
Lawrie McMenemy
Carey Mulligan
Nicholas Mullings
Arlene Phillips
Fiona Phillips
Barbara Pointon MBE
Bill Reinking
Angela Rippon OBE
Heather Roberts
Professor Louise Robinson
Tony Robinson
Robbie Savage
Robert Scott
Mike Tobin
Dr Daphne Wallace
Kevin Whately
Bill Wilson
Professor Bob Woods

Individuals

Mrs Joy Phillips
Mrs Celia Atkin
Mr David Mayhew CBE
Mr Bert Williams
Mr Charles Hunt
Mr Glyne Wetton
Mrs Jill Newsome
Lord Tugendhat
Mrs Ruth Lord
The Wheldon Family

Corporate Partnerships

Anchor Trust
AstraZeneca UK Ltd
Baker McKenzie LLP
Barclays Bank plc
BBC Radio Merseyside
BTIG Ltd
Bunzl Healthcare
Bunzl UK
Bupa
Capita
Catlin Group
Charles Stanley
Coinstar
Co-operative Group
Credit Suisse Group AG
Dulux Decorator Centres
Eli Lilly and Company Ltd
Eversheds LLP
Gala Coral Group Ltd
Hays Recruitment
HSBC Bank plc
Keelings Distribution
MITIE Group plc
Nationwide Building
Society
Nestlé
Outfit
Prudential plc
Royal Bank of Scotland plc
Saga Group
Santander UK plc
Servest Multi Service Group
Single Resource Ltd
Staffline Group plc
Star Cargo plc
Sunrise Senior Living
Tesco
The Lawyer Awards
The Times
Toyota Material Handling
UK Ltd
TWBA London Group
Waitrose Ltd
Yorkshire Building Society



Trusts and foundations

The Ernest Hecht Charitable Foundation
The Ingram Trust
Bill Brown's Charitable Settlement of 1989
The Bernard Sunley Charitable Foundation
Order of Women Freemasons Grand Charitable Trust
City Bridge Trust
Hartley Charitable Trust
Lord and Lady Lurgan Trust
Nominet Trust
Stavros Niarchos Foundation
Sussex Community Foundation
The February Foundation
(formerly The C Charitable Trust)
The Hon Mrs HD Lakin's Charity Trust
The John S Cohen Foundation
The Kirby Laing Foundation
The Rayne Foundation

29th May 1961 Charitable Trust
Charles Wolfson Charitable Trust
Comic Relief
Peacock Charitable Trust
P F Charitable Trust
Robert Luff Foundation Ltd
Rosetrees Trust
Royal Air Force Benevolent Fund
The Alzheimer's Foundation
The Evan Cornish Foundation
The Freemasons' Grand Charity
The Hartley Charitable Trust
The Headley Trust
The Henry Smith Charity
The Milly Apthorp Charitable Trust
The Rowse Family Trust
The Waterloo Foundation

Society people

During the year 2011/12

Royal Patron	HRH Princess Alexandra GCVO	
President Emeritus	Sir Jonathan Miller CBE	
Board of Trustees		
Honorary Officers		
Chair	Alastair Balls CB DL +*	Re-elected 17 September 2010
Vice-Chair	Eileen Winston +*	Re-elected 18 September 2009
Treasurer	John Grosvenor +##^	Elected 18 September 2009
Board members		
	Ann Beasley CBE #	Elected 18 September 2009
	Pippa Gough	Elected 17 September 2010
	Thomas Haverty	Co-opted 17 September 2010 Appointed 16 September 2011
	Christine Holloway	Elected 18 September 2009 Resigned 15 February 2012
	Professor Robin Jacoby	Elected 18 September 2009
	Dr Linda Patterson OBE	Elected 17 September 2010
	David Richardson #	Re-elected 17 September 2010
	Ian Sherriff ^	Elected 17 September 2010
	Annette Southcott	Re-elected 18 September 2009
	Alan Wells OBE *	Elected 18 September 2009
	Jeremy Hughes	
Chief Executive		
Senior Management Team		
Director of Corporate Resources	Matthew Sellen	
Director of External Affairs	Andrew Ketteringham	to 26 January 2012
Director of External Affairs	Andrew Chidgey	from 7 January 2012
Interim Director of Fundraising and Marketing	Allan Freeman	to 31 July 2011
Director of Fundraising and Marketing	Liz Showell	from 18 July 2011
Acting Director of Services	Ian Thomas	to 4 April 2011
Director of Operations (formerly called Director of Services)	Peter Denning	from 4 April 2011 to 4 August 2011
Interim Director of Operations	William Butler	from 31 August 2011
Director of People and Organisational Development	Brett Terry	
Director of Research	Professor Clive Ballard	
Interim Director of Research Management	Steve Dewar	from 25 October 2011
Director of Volunteering Development	Rachael Bayley	to 1 December 2011
Company Secretary	Deirdre Watson	

All Trustees are elected by the Society's membership, or co-opted, in accordance with the Society's Articles of Association.

Committee membership during the year (all or part of):

Finance and Audit Committee Member

* Nominations and Appointments Committee Member

+ Remuneration Committee Member

^ Investment Committee Member

Professional advisers

Auditors

Crowe Clark Whitehill LLP
Chartered Accountants and
Registered Auditors
St Bride's House
10 Salisbury Square
London EC4Y 8EH

Bankers

HSBC Bank Plc
London Corporate
Banking Centre
60 Queen Victoria Street
London EC4N 4TR

Insurance brokers

Lockton Companies LLP
The St Botolph Building
138 Houndsditch
London EC3A 7AG

Investment managers

Close Asset
Management Group
10 Exchange Square
London EC2A 2BY
To 22 March 2012

J.P. Morgan Private Bank
1 Knightsbridge
London SW1X 7LX
From 22 March 2012

Legal advisers

Charles Russell LLP
8-10 New Fetter Lane
London E1W 1LB

Registered charity number

296645

Company registration number

2115499

Alzheimer's Society

Devon House
58 St Katharine's Way
London E1W 1LB
T 020 7423 3500
F 020 7423 3501
E info@alzheimers.org.uk

alzheimers.org.uk

Registered charity no. 296645
Company limited by guarantee and
registered in England no. 2115499
Alzheimer's Society operates in
England, Wales and Northern Ireland.

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**Alzheimer's
Society**

Leading the
fight against
dementia